

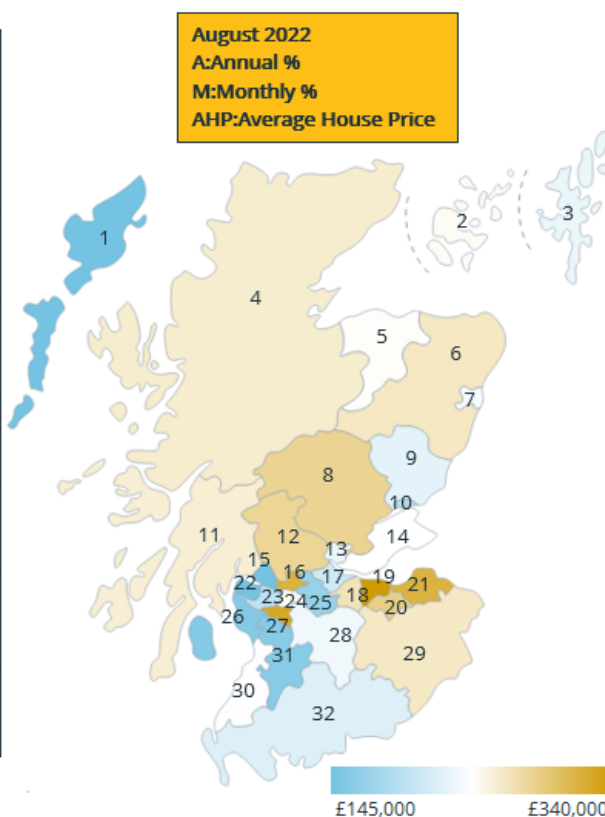
### Scotland's average house price decreased in August by £225...

- ✓ ...but 31 Local Authorities have seen prices rise over the year
- ✓ Shetland Islands have highest annual growth rate at 19.6%
- ✓ Larger number of high-value sales in 2022 than 2021

- The *Walker Fraser Steele Acadata House Price Index (Scotland)*. Please refer to the Notes at the end for information on content and methodology.
- Walker Fraser Steele is the trading name of e.surv Chartered Surveyors in Scotland.

House Price	Index	Monthly Change %	Annual Change %
£224,117	293.5	-0.1	7.6

1 Na h-Eileanan Siar A 11.9% M 5.8% AHP £149,777	2 Orkney Islands A 12.2% M 0.5% AHP £208,878
5 Moray A 14.0% M -2.5% AHP £205,545	6 Aberdeenshire A 3.6% M 0.1% AHP £235,718
9 Angus A 5.3% M -2.2% AHP £192,246	10 Dundee City A 5.8% M 1.3% AHP £174,121
13 Clackmannanshire A 12.0% M -0.2% AHP £196,220	14 Fife A 6.8% M 1.4% AHP £202,652
17 Falkirk A 9.0% M -3.5% AHP £183,808	18 West Lothian A 12.3% M 2.2% AHP £241,027
21 East Lothian A -1.9% M -3.5% AHP £305,782	22 Inverclyde A 8.5% M 7.0% AHP £150,232
25 North Lanarkshire A 9.0% M -1.9% AHP £163,583	26 North Ayrshire A 8.6% M -1.5% AHP £155,936
29 Scottish Borders A 6.4% M 3.0% AHP £234,267	30 South Ayrshire A 1.6% M 1.5% AHP £202,015



3 Shetland Islands A 19.6% M 0.0% AHP £194,851	4 Highland A 12.8% M 0.6% AHP £229,055
7 Aberdeen City A 0.9% M 1.0% AHP £198,755	8 Perth & Kinross A 10.3% M 0.7% AHP £261,255
11 Argyll & Bute A 17.1% M -2.1% AHP £226,315	12 Stirling A 3.2% M -4.9% AHP £259,566
15 West Dunbartonshire A 10.6% M -1.7% AHP £150,019	16 East Dunbartonshire A 13.6% M 0.1% AHP £308,008
19 City of Edinburgh A 4.8% M 0.1% AHP £339,302	20 Midlothian A 2.8% M 0.1% AHP £268,641
23 Renfrewshire A 8.9% M -1.6% AHP £177,555	24 Glasgow City A 8.3% M -0.3% AHP £208,132
27 East Renfrewshire A 8.9% M 2.0% AHP £320,778	28 South Lanarkshire A 13.6% M 0.3% AHP £196,854
31 East Ayrshire A 15.7% M 0.8% AHP £157,128	32 Dumfries & Galloway A 11.1% M 0.0% AHP £189,661

Table 1. Average House Prices in Scotland for the period August 2021 – August 2022  
(The prices are end-month smoothed over a 3 month period) ([Link to source Excel](#))

Month	Year	House Price	Index	Monthly Change %	Annual Change %
August	2021	£208,213	272.7	1.4	11.7
September	2021	£209,960	275.0	0.8	12.8
October	2021	£210,142	275.2	0.1	11.1
November	2021	£210,263	275.4	0.1	8.7
December	2021	£210,435	275.6	0.1	6.9
January	2022	£212,828	278.7	1.1	7.4
February	2022	£214,463	280.9	0.8	7.6
March	2022	£217,580	285.0	1.5	6.5
April	2022	£218,812	286.6	0.6	7.8
May	2022	£221,314	289.9	1.1	8.6
June	2022	£222,245	291.1	0.4	10.6
July	2022	£224,341	293.8	0.9	9.2
August	2022	£224,117	293.5	-0.1	7.6

**Note:** The Walker Fraser Steele Acadata House Price Index (Scotland) provides the “average of all prices paid for houses”, including those made with cash.

### Scott Jack, Regional Development Director at Walker Fraser Steele, comments:

“The average price paid for a house in Scotland in August 2022 was £224,117 – a slight decrease of 0.1%, from the price established in July. It is only significant in so far that it is the first decrease in Scotland’s monthly average house price since June 2021, but it is important to remember that on an annual basis, the price is some £15,900, or 7.6%, higher than it was in August 2021.

“One reason for the continued resilience is the number of sales recorded over £750k. Our data shows that some 82 sales were recorded at values over £750k during August 2022. We think this figure will increase as further sales for the month are processed by the Registers of Scotland.

“What this number of sales over £750k tells us is that “working from home” and the “race for space” continue to be important features of the current housing market, even if the prominence of the Covid restrictions are beginning to wane. Properties of this nature command more space to accommodate new ways of living but remain in short supply which again supports the average house price – even in the face of some meaningful economic headwinds thanks to global inflationary pressures. How resilient prices are over the coming months remains to be seen. Certainly, some of the recent domestically inspired spikes to mortgage affordability may yet dampen buyer enthusiasm, but today’s interventions from the new Chancellor are designed to stabilise the cost of borrowing – and there remains a shortage of desirable property.”

## Commentary: John Tindale, Acadata Senior Housing Analyst

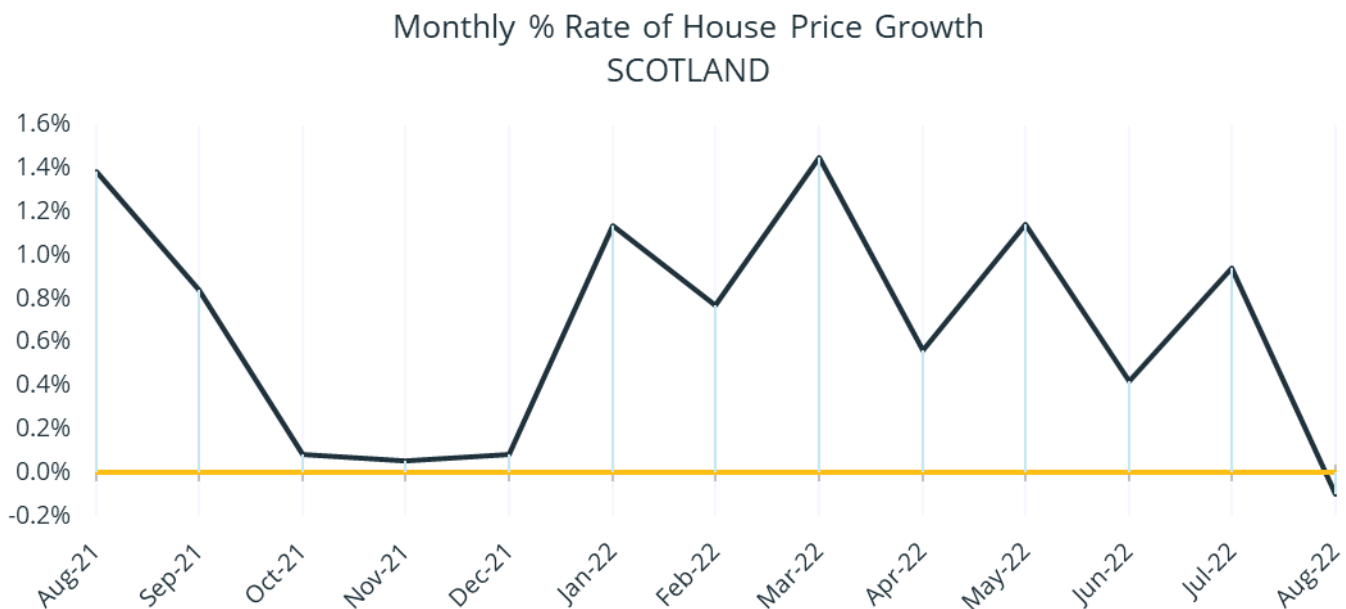
### The August housing market

The average price paid for a house in Scotland in August 2022 was £224,117. This represents a marginal fall of £224, or -0.1%, from the price established in July, the first fall in Scotland's monthly average house price since June 2021.

Although the average price fell in the month, on an annual basis the price is some £15,900, or 7.6%, higher than it was in August 2021. This annual rate has slowed from the 10.6% growth seen in June, but that month was assisted by a near £3,000 fall in prices which occurred twelve months earlier in June 2021, meaning that the base point for measuring June's growth rate had started from a particularly low level.

As Figure 1 below shows, since the start of this year the average house price growth in Scotland has been oscillating on a bi-monthly basis, so the fall in the August rate was not unexpected.

Figure 1. The monthly rate of house price growth in Scotland over the period August 2021 to August 2022  
([Link to source Excel](#))



As shown in Table 2 on page 5, sales of high-value properties in the first eight months of the year are at an all-time high, with no indications that the pace of such sales is diminishing. This would suggest that the post-Covid lifestyle changes associated with "working from home" and a "race for space" remain as motivation for would be home-movers, with competition for the right property continuing to keep prices high.

The commentary in this release relates to the August housing market in Scotland. This does of course pre-date the somewhat remarkable events of September and October, with a Mini-Budget having been delivered on 23rd September and a new Chancellor being installed on 13th October. As noted in this release, the housing market has shown considerable resilience over recent months, in spite of predictions otherwise. Although interest rates have been edging up, it is clear there is still considerable buying power and appetite in the market. Our task will be to report on what happens to completion prices based on cash and mortgaged transactions across Scotland. There will be much on which to reflect.

## Transactions analysis

Figure 2 below shows the monthly transaction count for purchases during the period January 2015 to August 2022, based on RoS (Registers of Scotland) figures for the Date of Entry (August 2022 totals are based on RoS Application dates).

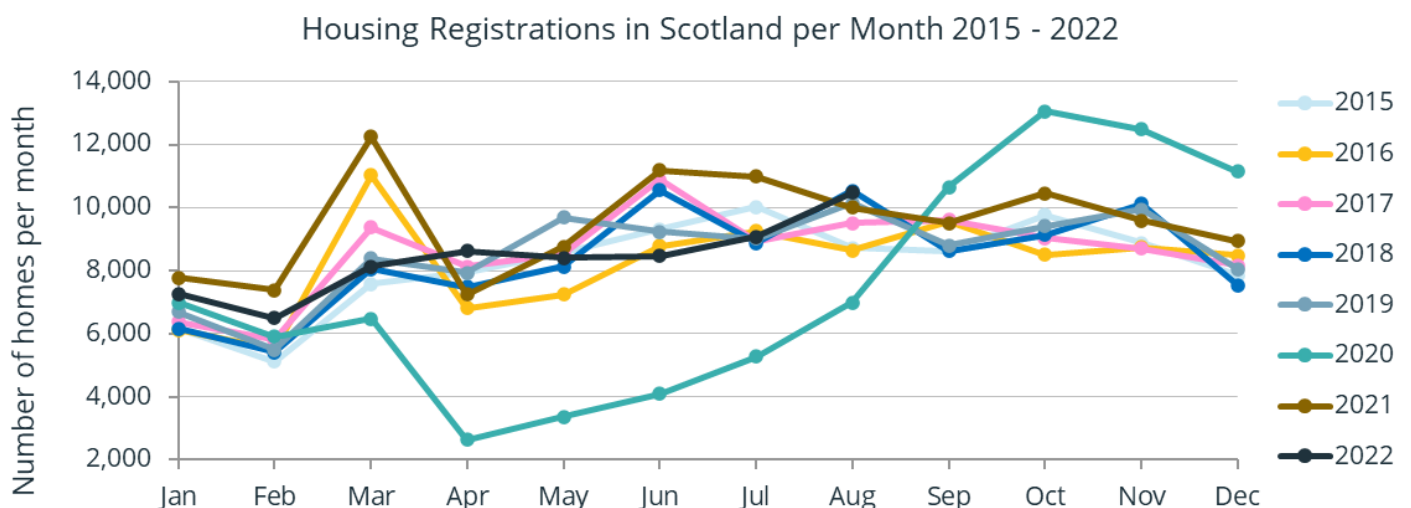
The effect of the Covid pandemic - which started in March 2020 - can be clearly seen from the graph. Housing transactions in April 2020 plummeted with the arrival of the pandemic, to be followed by a slow rise in sales as confidence began to return. Then followed a period when sales exceeded previous levels, from September 2020 to March 2021, as lifestyle changes and the LBTT tax-holiday pushed up demand - especially for properties with space to allow for working from home.

The March 2021 peak is also clearly visible, which coincided with the last month of the LBTT tax-holiday. The final month typically creates a peak in transactions, as purchasers rush to take advantage of the tax-holiday before the end of the month, after which time the tax savings come to an abrupt halt.

Sales from June 2021 onward also tended to be higher than during the previous five years (2015 – 2019), as demand for larger properties with space and potential holiday lets continued to stimulate the market. It is only from the start of 2022 that demand appears to have weakened marginally, with sales from March 2022 to July 2022 no longer exceeding those of the previous years, although Table 2 on the next page indicates that the demand for properties priced in excess of £750k continues to be strong. In the graph below, the August 2022 total shows a small increase in transactions compared to July 2022, but the figure for the month remains an estimate, so at this stage not too much weight should be given to the predicted rise in sales.

RICS (Royal Institution of Chartered Surveyors), in its August 2022 Residential Market Survey, is continuing to point to an easing in sales market activity, with metrics on demand and sales remaining in negative territory over the month. RICS do however add that that the current level of market appraisals being undertaken is similar to that seen twelve months ago, suggesting the tight supply backdrop is unlikely to change dramatically in the near future - this remains consistent with a still reasonably solid degree of upward movement in house prices for the time being.

Figure 2. The number of sales per month recorded by RoS based on entry date (RoS applications date for August 2022), for the period 2015 – 2022. (Source: Registers of Scotland.) ([Link to source Excel](#))



## Scotland transactions of £750k or higher

Table 2. The number of transactions by month in Scotland greater than or equal to £750k, January 2015 – August 2022 ([Link to source Excel](#))

Sales of £750k+								
Month	2015	2016	2017	2018	2019	2020	2021	2022
1	33	27	19	35	43	49	65	87
2	42	20	15	52	26	33	62	66
3	231	57	25	34	35	30	115	79
4	2	27	29	24	36	11	46	70
5	14	20	31	32	54	16	63	88
6	26	47	43	41	60	36	119	109
7	15	36	55	44	61	41	120	129
8	41	54	62	60	61	40	102	82
9	46	44	56	70	59	67	127	
10	23	52	48	55	40	114	101	
11	48	38	37	59	58	109	100	
12	34	23	40	31	49	105	79	
<b>Total</b>	<b>555</b>	<b>445</b>	<b>460</b>	<b>537</b>	<b>582</b>	<b>651</b>	<b>1099</b>	<b>710</b>

Table 2 shows the number of transactions per month in Scotland which are equal to or greater than £750k. The threshold of £750k has been selected as it is the breakpoint at which the highest rate of LBTT becomes payable.

Table 2 shows that there were 82 sales in excess of £750k during August 2022, and we anticipate that this total will increase by another twenty-plus in number, as further sales for the month are processed by the Registers of Scotland. If this proves to be the case, then six of the eight months in 2022 will have seen a higher number of sales in excess of £750k than in 2021, which was itself ahead of all previous years. Certainly, looking at the first eight months of 2021, for comparative purposes, there were 692 sales above £750k, which have been exceeded by the 710 sales seen in 2022.

These statistics suggest that the “lifestyle changes” associated with the pandemic, of “working from home” and the “race for space”, continue to be important features of the current housing market, even if the prominence of the Covid restrictions are beginning to wane.

The five authorities with the largest number of the 710 high-value sales that have been recorded to date in 2022 are: Edinburgh (360); Glasgow City (46); Fife (39); East Lothian (36); and finally East Renfrewshire (24). From these figures it can be seen that in 2022, Edinburgh accounts for just over half of this sector of the housing market.

## Local Authority Analysis

Table 3. Average House Prices in Scotland, by local authority area, comparing August 2021, July and August 2022  
([Link to source Excel](#))

Prior Year Rank	Rank By Price	Local Authority Area	Aug-21	Jul-22	Aug-22	Month % Change	Annual % Change
1	1	City of Edinburgh	£323,755	£338,961	£339,302	0.1%	4.8%
3	2	East Renfrewshire	£294,626	£314,388	£320,778	2.0%	8.9%
4	3	East Dunbartonshire	£271,245	£307,819	£308,008	0.1%	13.6%
2	4	East Lothian	£311,740	£316,902	£305,782	-3.5%	-1.9%
5	5	Midlothian	£261,292	£268,271	£268,641	0.1%	2.8%
7	6	Perth and Kinross	£236,784	£259,484	£261,255	0.7%	10.3%
6	7	Stirling	£251,531	£272,865	£259,566	-4.9%	3.2%
10	8	West Lothian	£214,575	£235,843	£241,027	2.2%	12.3%
8	9	Aberdeenshire	£227,544	£235,501	£235,718	0.1%	3.6%
9	10	Scottish Borders	£220,122	£227,444	£234,267	3.0%	6.4%
11	11	Highland	£203,007	£227,703	£229,055	0.6%	12.8%
14	12	Argyll and Bute	£193,282	£231,059	£226,315	-2.1%	17.1%
17	13	Orkney Islands	£186,108	£207,915	£208,878	0.5%	12.2%
15	14	Glasgow City	£192,248	£208,818	£208,132	-0.3%	8.3%
19	15	Moray	£180,355	£210,790	£205,545	-2.5%	14.0%
16	16	Fife	£189,759	£199,911	£202,652	1.4%	6.8%
12	17	South Ayrshire	£198,747	£199,033	£202,015	1.5%	1.6%
13	18	Aberdeen City	£196,888	£198,556	£198,755	0.1%	0.9%
21	19	South Lanarkshire	£173,313	£196,221	£196,854	0.3%	13.6%
20	20	Clackmannanshire	£175,172	£196,533	£196,220	-0.2%	12.0%
26	21	Shetland Islands	£162,921	£194,818	£194,851	0.0%	19.6%
18	22	Angus	£182,644	£196,639	£192,246	-2.2%	5.3%
22	23	Dumfries and Galloway	£170,638	£189,640	£189,661	0.0%	11.1%
23	24	Falkirk	£168,587	£190,483	£183,808	-3.5%	9.0%
25	25	Renfrewshire	£163,044	£180,394	£177,555	-1.6%	8.9%
24	26	Dundee City	£164,552	£171,856	£174,121	1.3%	5.8%
27	27	North Lanarkshire	£150,055	£166,688	£163,583	-1.9%	9.0%
30	28	East Ayrshire	£135,801	£155,916	£157,128	0.8%	15.7%
28	29	North Ayrshire	£143,606	£158,341	£155,936	-1.5%	8.6%
29	30	Inverclyde	£138,449	£140,399	£150,232	7.0%	8.5%
31	31	West Dunbartonshire	£135,594	£152,631	£150,019	-1.7%	10.6%
32	32	Na h-Eileanan Siar	£133,879	£141,524	£149,777	5.8%	11.9%
<b>All Scotland</b>			<b>£208,213</b>	<b>£224,341</b>	<b>£224,117</b>	<b>-0.1%</b>	<b>7.6%</b>

Table 3 above shows the average house price and percentage change (over the last month and year) by Local Authority Area for August 2021, as well as for July and August 2022, calculated on a seasonal- and mix-adjusted basis. The ranking in Table 3 is based on the local authority area's average house price for August 2022. Local Authority areas shaded in blue experienced record average house prices in August 2022.

## Annual change

The average house price in Scotland increased by some £15,900 - or 7.6% - over the last twelve months, to the end of August. This is a near £3,100 decrease over the £19,000 growth in prices seen in the twelve months to the end of July 2022 – and represents the second month in a row in which the increase in prices on an annual basis has slowed.

In August 2022, 31 of the 32 local authority areas in Scotland saw their average prices rise over the levels seen twelve months earlier, the same number as in July. The one area that saw values fall over the year was East Lothian, where prices have dropped by 1.9%. In East Lothian, it is the average price of detached properties that have fallen the most over the past year, from an average £520k in August 2021 to £490k in August 2022.

The area with the highest annual increase in average house prices in August 2022 was the Shetland Islands, where values have risen by 19.6% over the year. However, as regular readers of our reports will know, the Islands frequently have the largest movement in average house prices due to the small number of transactions that take place each month, with just 21 sales in August. On the mainland, the authority with the highest increase over the year was - for the fifth month in succession - Argyll and Bute, at 17.1%. Interestingly, in August, it was “Flats” that saw the largest increase in average prices in Argyll and Bute, assisted by the purchase of a ground floor conversion of a Victorian villa in Helensburgh for £560k.

On a weight-adjusted basis, which incorporates both the change in prices and the number of transactions involved, there are six local authority areas in August that accounted for 49% of the £15,900 increase in Scotland’s average house price over the year. The six areas in descending order of influence are: – Glasgow (11%); Edinburgh (11%); South Lanarkshire (10%); Highland (7%); Fife (5%); and West Lothian (5%).

## Monthly change

In August 2022, Scotland’s average house price in the month fell by some £225, or -0.1%. This is the first fall in the average house price in a month since June 2021.

In August 2022, 20 of the 32 Local Authority areas in Scotland experienced rising prices in the month, the same number as in July. The largest increase in average prices in August was seen, for the second successive month, in Inverclyde, up by 7.0%. Last month we reported that prices in July in Inverclyde had been assisted by the purchase of an upmarket flat in Greenock. This was a lower-floor conversion of a traditional 5-bedroom 1870 Victorian blonde sandstone property, which sold for £370k. In August, it transpires that a further upper-floor conversion was sold in the same street for £410k, which helped secure Inverclyde’s position as having the highest increase in average prices in the month.

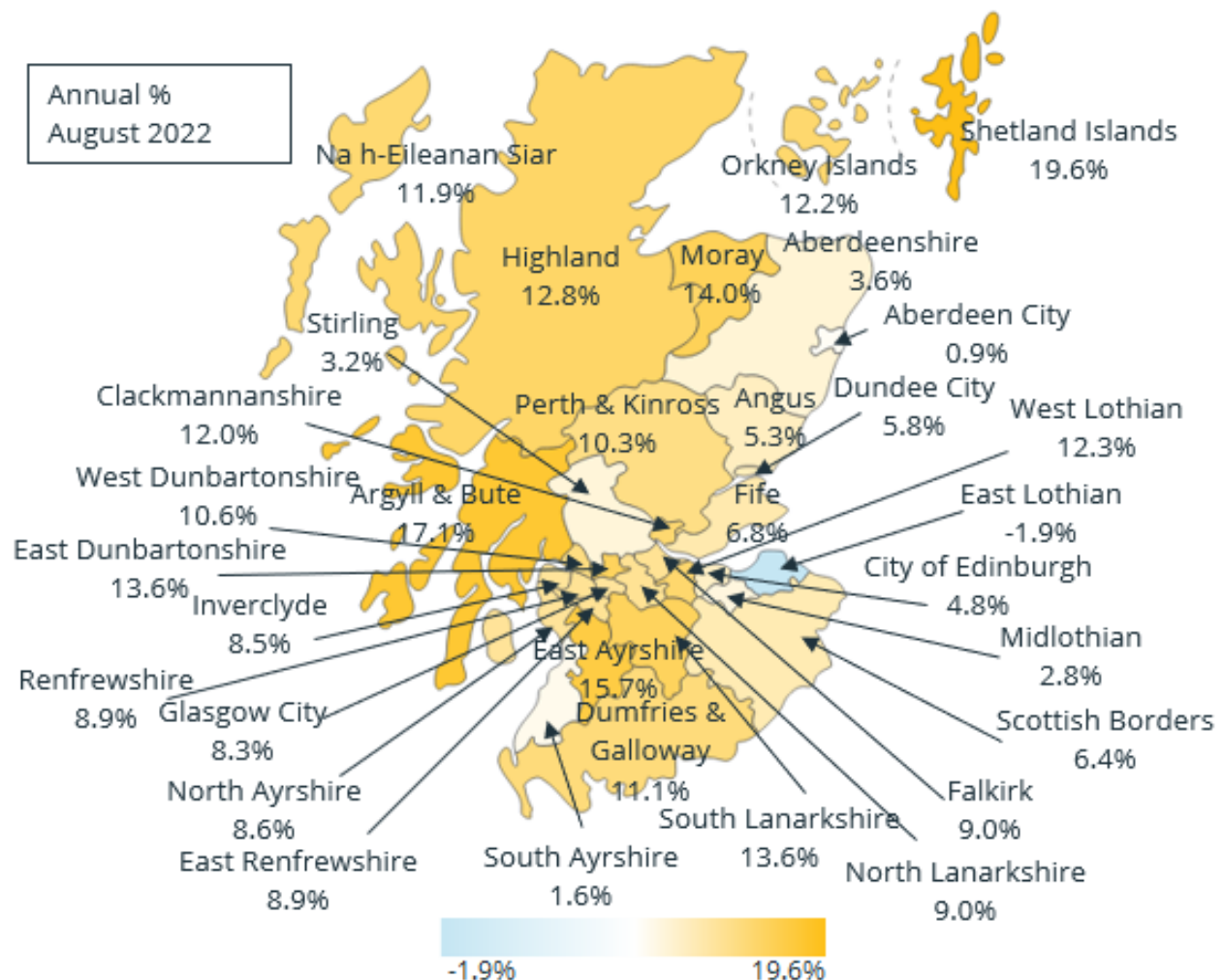
At the other end of the scale, the lowest increase in average prices in August was in Stirling, at -4.9%. The third-highest priced sale of the year in Stirling had been included in the statistics for last month – a detached home in Croftamie, a village located some 25 miles to the north of Glasgow, which sold for £1.4 million. But, having dropped out of the statistics this month and with no similar property taking its place, average prices in Stirling in August dropped accordingly.

## Peak Prices

Each month, in Table 3 above, we highlight in light blue the local authority areas which have reached a new record in their average house prices. In August there are 7 such authorities, down from the 11 seen in July. With average prices in Scotland falling in August we should advise that Scotland itself is no longer at a record price, the first time this has happened this year.

## Heat Map

The heat map below shows the rate of house price growth for the 12 months ending August 2022. As reported above, 31 of the 32 local authority areas in Scotland have seen a rise in their average property values over the last year, the one exception being East Lothian. The highest increase on the mainland over the twelve months to August 2022 was in Argyll and Bute at 17.1%. 14 of the 32 local authority areas had price growth in excess of 10.0% - two less than in July 2022.





## Comparisons with Scotland

Figure 3. Scotland house prices, compared with England and Wales, Wales, North East and North West for the period January 2005-August 2022 ([Link to source Excel](#))

### Average House Price

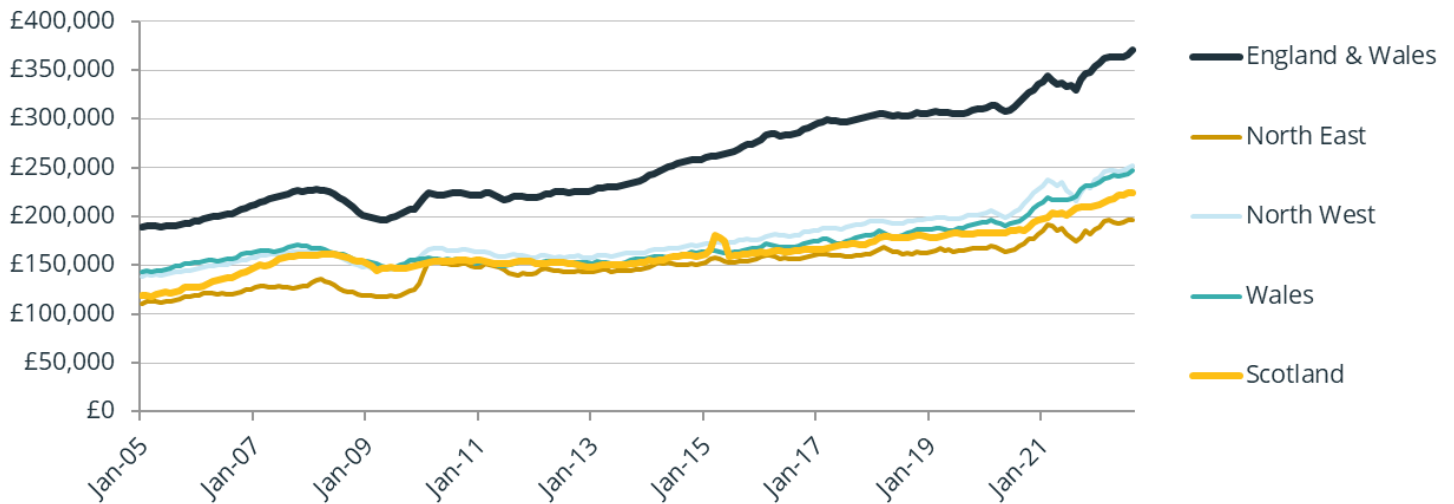
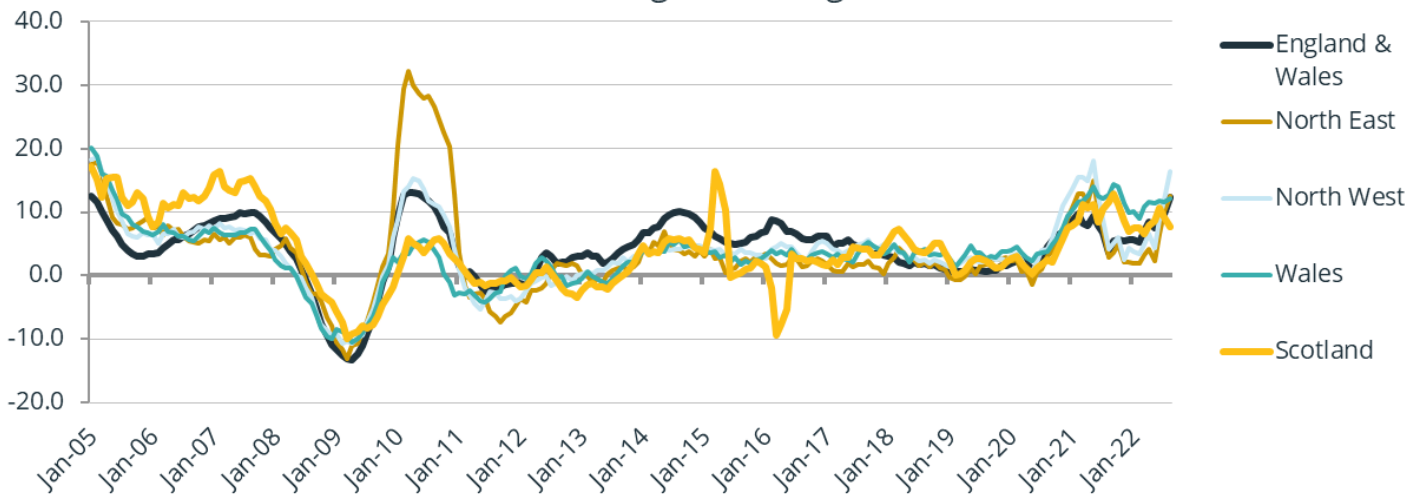


Figure 4. A comparison of the annual change in house prices in Scotland, England and Wales, Wales, North East and North West for the period January 2005-August 2022 ([Link to source Excel](#))

### Annual % change in Average House Prices



## Scotland's Eight Cities

Figure 5. Average house prices for Scotland's eight cities from June 2021–August 2022 ([Link to source Excel](#))

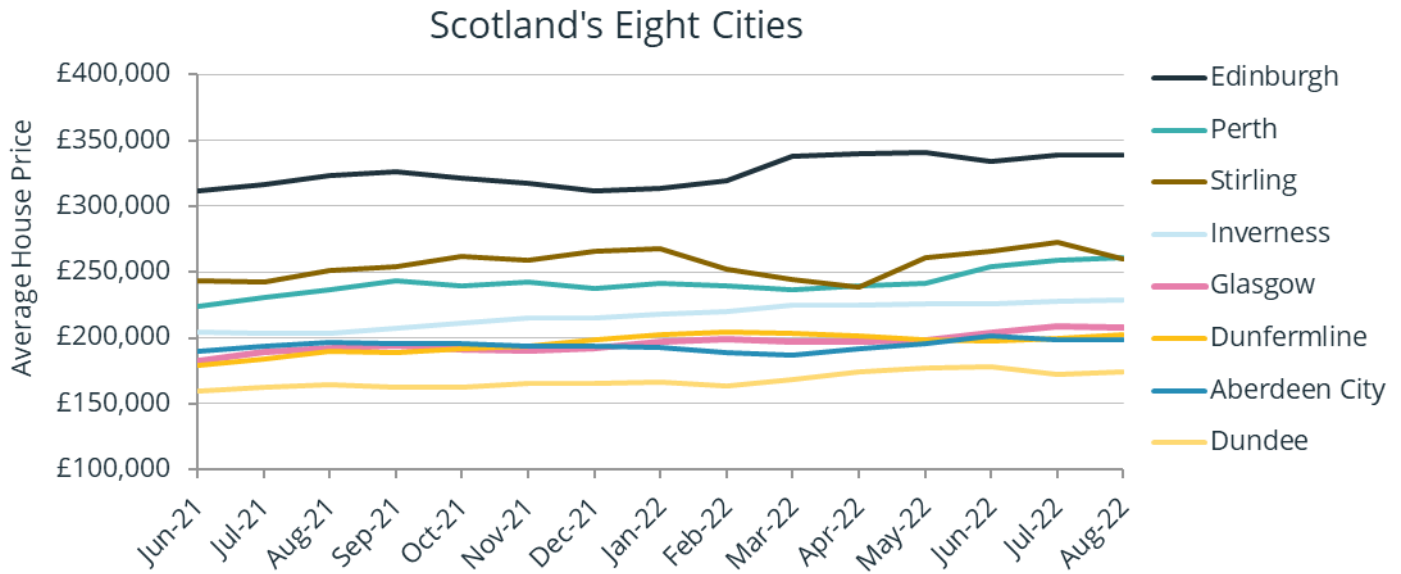
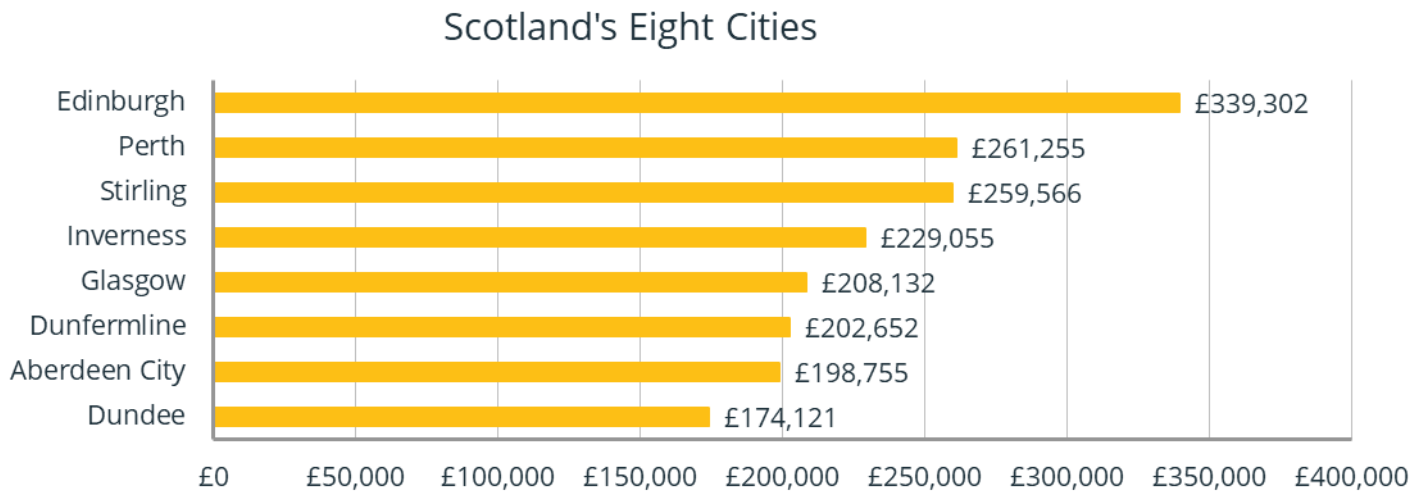


Figure 6. Average house prices for Scotland's eight cities August 2022 ([Link to source Excel](#))



## Notes

The *Walker Fraser Steele Acadata House Price Index* was formerly the *Your Move Acadata House Price Index* and is produced by Acadata. Content and methodology are unchanged.

1. The Walker Fraser Steele Acadata HPI (Scotland) is a price series as opposed to a value series and uses:
  - the actual prices at which every residential property in Scotland was transacted, including prices for properties bought with cash, using the data provided by Registers of Scotland as opposed to valuation estimates or asking prices
  - the price of every single relevant transaction, as opposed to prices based upon samples
2. The current month Walker Fraser Steele Acadata HPI (Scotland) is not forecast, unlike the e.surv Acadata HPI (England and Wales) but is based on achieved prices. The first release of the Scotland results lag the first release of those for England and Wales by one month, as the former index does not use estimates of market prices.
3. While the Walker Fraser Steele Acadata HPI (Scotland), like the e.surv Acadata HPI (England and Wales), comprises a smoothed average of three months' prices, the Walker Fraser Steele Acadata HPI (Scotland) average reflects the average price at the month of the index and the prior two months' prices and is ascribed to the month of the index i.e. it is "end month smoothed" (ems) and not "centre month smoothed" (cms) as applied to the e.surv Acadata HPI (England and Wales). Since we provide only a national England and Wales average price in our current month e.surv Acadata HPI (England and Wales) and prices at region and lower levels are lagged one month, this procedure means that the Walker Fraser Steele Acadata HPI (Scotland) prices are contemporaneous with the prices published for the equivalent month for England and Wales and the regions. All Walker Fraser Steele Acadata HPI (Scotland) results are subject to change following receipt of updated data from Registers of Scotland.
4. The [Acadata](#) website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
5. Walker Fraser Steele Acadata HPI (Scotland) may not be used for commercial purposes without written permission from Acadata. Specifically, it may not be used to measure the performance of investments or to determine the price at which investments may be bought or sold or for collateral valuation concerning which enquiries should be directed to MIAC Acadametrics.
6. Acadata is an independent privately owned consultancy specialising in house price data. Our associated company MIAC Acadametrics Limited is an independent asset valuation service provider, specialising in behavioural modelling, stress testing and collateral valuation for the financial services industry.

For further footnotes and a description of the methodology used in the Walker Fraser Steele Acadata HPI (Scotland) please click [here](#).

## About Walker Fraser Steele

Walker Fraser Steele is one of the longest established Chartered Surveyor brands in Scotland. We're proud of our Scottish heritage and reputation, which has allowed us to stay at the forefront of the residential property market in Scotland for well over a century.

In June 2013, the business joined forces with [e.surv Chartered Surveyors](#) (part of [LSL Property Services plc](#)). e.surv is the UK's leading provider of residential valuation and surveying services and brings technical expertise and award-winning know-how to complement our in-depth knowledge of local markets. This is a unique formula that adds huge value for our clients and customers.

We provide Home Reports, Mortgage Valuations and Energy Reports to Scottish homeowners, and valuations and property risk advice to a large proportion of UK lenders.

For further information, please visit our website: [www.walkerfrasersteele.co.uk](http://www.walkerfrasersteele.co.uk)

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